LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

REVISED

A G E N D A

THE AGENDA HAS BEEN REVISED TO INCLUDE ITEM #5

MARCH 25, 2013 - 5:30 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at CityClerk@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

1. **Evaluation of Bids - Infield Groomer Replacement**
   (Staff Recommends Awarding a Contract in the Amount of $17,372.12 to Turf Equipment and Supply Company and to Allow for the Usage of Budgetary Savings Realized)

2. **FY12 Audit - Required Auditor Communications**
   (Committee Action Not Required)

3. **Proposed Ordinance #2013-06 Amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code - Excused Absences**
   (Ordinance Sponsors Recommend Adoption of Proposed Ordinance #2013-06)

4. **City Hall Replacement - Potential RFP for Architectural Services for Conceptual Design**
   (Staff Recommends Authorizing the City Manager to Issue an RFP (Request for Proposal) for Architectural Services to Prepare Concepts to Replace Existing Office Space Related to City Hall and 5 East Reed Street)

5. **Evening and Weekend Code Enforcement Coverage**
   (Staff Recommends Instructing Staff to Develop a Schedule and Budget for Overtime for FY14 to Support Evening and Weekend Code Enforcement Coverage)

6. **Adjournment by 7:00 P.M.**

/tm
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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.

ACTION FORM

PROCEEDING: Legislative, Finance and Administration Committee **AGENDA ITEM**:
DEPARTMENT OF ORIGIN: Public Works **DATE SUBMITTED**: 03/18/2013
PREPARED BY: Sharon J. Duca, P.E., Public Works Director / City Engineer
SUBJECT: Evaluation of Bids – Infield Groomer
REFERENCE: N/A
RELATED PROJECT: N/A
APPROVALS: City Manager, Controller
EXHIBITS: N/A
EXPENDITURE REQUIRED: $ 17,372.12 **AMOUNT BUDGETED**: Budget Transfer Required **FUNDING SOURCE (Dept./Page in CIP & Budget)**: Funding Sources: Funding available from General Fund savings realized from the purchase of the Grounds Division's FY 2013 budgeted #552 Dump Truck and #562 Wing Mower ($17,396.45 total savings) CIP Page: 183 Account No.: 147-1500-522.40-23/40-24
TIMETABLE: Purchase Order to be issued upon Council approval and completion of budget transfer from 147-1500-522.40-23 to 147-1500-522.40-24 to consolidate budgetary savings into the appropriate account for the purchase.
RECOMMENDED ACTIONS: Award a contract in the amount of $17,372.12, based upon Bid #2013-013 for the Infield Groomer to Turf Equipment and Supply Company. Allow for the usage of budgetary savings realized, as identified under funding source above, to pay for the unbudgeted but necessary purchase of the Infield Groomer.

BACKGROUND AND ANALYSIS

The City of Dover Department of Public Works Grounds Division utilizes Vehicle #594, a 1998 Chi Tech ball field tractor, to drag the six (6) softball fields. This fifteen (15) year old piece of equipment was purchased used in 2002. It was not originally planned to replace #594 as our small engine mechanic has been able to keep it operational. It was discovered this year, however, that the manufacturer filed for bankruptcy several years ago and we are no longer able to obtain necessary parts. As such, the Grounds Division would not be able to provide adequate maintenance of the City's softball fields. The Department of Planning, Inspections and Recreation currently receives approximately twenty percent (20%) of the Recreation Division's revenues from the softball leagues each year.

Quotes were solicited in accordance with the City's purchasing policy under Bid #2013-013 INFIELD GROOMER. Quotes were opened on March 15, 2013. The following vendor submitted a quote for the equipment.

VENDOR	LOCATION	AMOUNT OF BID
TURF EQUIPMENT AND SUPPLY COMPANY	JESSUP, MD	$17,372.12

City staff reviewed the Turf Equipment and Supply Company bid package and found it free of math errors and/or discrepancies. It is staff's opinion that the bid represents fair market value. Staff recommends awarding a contract to Turf Equipment and Supply Company in the amount of $17,372.12 for the Infield Groomer.

CITY OF DOVER DEPARTMENT OF PUBLIC WORKS

FY 2013 GROUNDS DIVISION VEHICLE PURCHASES

Vehicle Number	147-1500-522.40-23		147-1500-522.40-24	
	Budget	Actual	Budget	Actual
Vehicle #552 (1 Ton Crew Cab Dump Truck)	$47,000.00	$39,342.00	---	---
Vehicle #562 (Wing Mower)	---	---	$65,000.00	$55,261.55
Vehicle #594 (Infield Groomer)	---	---	---	$17,372.12
TOTAL	*$47,000.00*	*$39,342.00*	*$65,000.00*	*$72,633.67*

START BALANCE (BUDGET - ACTUAL)		**$ 7,658.00**		**$ (7,633.67)**
Transfer from 147-1500-522.40-23		$ (7,634.00)		$ 7,634.00
END BALANCE (POST TRANSFER)		**$ 24.00**		**$ 0.33**

\\Dover_1\electric\Shared Data\Bid Information\BID INFO FY2013\2013-013 INFIELD GROOMER\2013 INFIELD GROOMER BUDGET SUMMARY2013 INFIELD GROOMER BUDGET SUMMARY



SB & COMPANY, LLC

CITY OF DOVER, DELAWARE

COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED JUNE 30, 2012

MARCH 25, 2013

EXPERIENCE
•
QUALITY
•
CLIENT SERVICE

SB & COMPANY, LLC
EXPERIENCE • QUALITY • CLIENT SERVICE

March, 25, 2013

Dear City Council
of the City of Dover, Delaware:

We are pleased to present the results of our audit of the June 30, 2012, financial statements of the City of Dover, Delaware (the City).

This Report to the City Council of the City of Dover, Delaware. (the Council) summarizes our audit, the scope of our engagement, the reports to be issued, and various observations we noted during the audit that we want to report to you. This document also contains the Council communications required by our professional and firm standards.

This audit was designed to express an opinion on the June 30, 2012, financial statements. We considered and will continue to consider the City's current and emerging business needs, along with an assessment of risk that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Council, and the users of your financial statement expect.

We received the full support and assistance of the City's personnel. This report is intended solely for the information and use of the members of the Council and management, and is not intended to be and should not be used by anyone other than these specified parties.

At SB & Company, LLC, we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to evaluate our services and communicate back to us your evaluation of our services and how we can better exceed your expectations. This communication is most important to us as it will ensure that we do not overlook a single detail as it relates to the quality of our services.

We appreciate this opportunity to meet with you.

Very truly yours,
SB & Company, LLC

By: William Seymour

200 International Circle • Suite 5500 • Hunt Valley • Maryland 21030 • P 410.584.0060 • F 410.584.0061

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EXPERIENCE • QUALITY • CLIENT SERVICE

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Scope of Services

Scope of Services

- Audit of the Financial Statements of the City of Dover (unqualified opinion)
- Review of Comprehensive Annual Financial Report
- OMB Circular A-133 Audit (3 findings)
- Observations

Industry Update

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- Effects of the current economic condition, including effects on State and Federal funding;
- The SEC report on municipal securities;
- Increased transparency in Federal Grant Compliance
- Moody's draft reporting requirements on pension disclosure;
- GASB 68 will require governments to report a net pension liability on the statement of net position;
- Sustainability and environmental awareness;
- Management and the City Council should be aware that because of the present economic times and slow down in our economy, there will be greater financial pressures on the City's employees and potential customers, which increases the City's risk of fraud from its employees and customers.

.

Single Audit Results

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Major Program	CFDA Number	Federal Expenditures
ARRA - Capitalization Grant for Clean Water - State Revolving Funds WW	66.458	1,085,025
ARRA - Capitalization Grant for Clean Water - State Revolving Funds Water	66.468	1,899,907
		$ 2,984,932
Total Expenditures of Federal Awards		$ 4,084,322
Percentage Coverage		73%

Results:

Report on Internal Controls over financial reporting and compliance

Unqualified with one significant deficiency related to:

- Identification of Federal awards required to be reported on SEFA

Report on compliance with requirements for major programs in accordance with A133

Unqualified with two significant deficiencies related to:

- Allowable Costs - Officers received dual compensation for extra-duty work and vacation/leave time
- Allowable Costs – Time recorded against the grant was able to be changed by other employees without administrative approval

Assessment of Control Environment

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Area	Points to Consider	Our Assessment
Control Environment	• Key executive integrity, ethics and behavior • Control consciousness and operating style • Commitment to competence • Council's participation in governance and oversight • Organizational structure and assignment of authority and responsibility • HR policies and procedures	Effective
Risk Assessment	• Mechanisms to anticipate, identify, and react to significant events • Processes and procedures to identify changes in GAAP, business practices and internal control	Effective
Information & Communication	• Adequate performance reports produced from information system • Information systems are connected with business strategy • Commitment of HR and finance to develop, test and monitor IT systems and programs • Business continuity/disaster plan for IT • Established communication channels for employees to fulfill responsibilities • Adequate communication across organization	Effective
Control Activities	• Existence of necessary policies and procedures • Clear financial objectives with active monitoring • Logical segregation of duties • Periodic comparisons of book to actual and physical count to books • Adequate safeguards of documents, records and assets • Access controls in place	Effective
Monitoring	• Periodic evaluations of internal controls (annual audit) • Implementation of improvement recommendations	Effective

Evaluation of Key Processes

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Process	Function	Design	Operation
Treasury	• Cash Management • Investment Accounting	Effective	Effective
Estimation	• Methodology • Calculation	Effective	Effective
Financial Reporting	• Accounting Principles and Disclosure • Closing the Books • General Ledger and Journal Entry Processing • Verification and Review of Results	Effective	Effective
Expenditures	• Purchasing • Receiving • Accounts Payable/Cash Disbursement	Effective	Effective
Payroll	• Hiring • Attendance Reporting • Payroll Accounting and Processing • Payroll Disbursements • Separation	Effective	Effective
Revenue	• Billing • Cash Receipts	Effective	Effective
Fixed Assets	• Physical Custody • Asset Accounting	Effective	Effective
Compliance	• Assess Internal and External Risk • Regulatory Compliance • Monitor Compliance • Grant Compliance	Effective	Opportunity for Improvement
Information Technology	• Program Integrity and Change Management • Information Security and Transaction Authorization • Segregation of Duties and Management Oversight • Computer Operations	Effective	Effective

Summary Level Financial Statements

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Statement of Net Assets
Presented in millions of dollars

	2012	2011	2010
Assets			
Cash and Investments	**$ 75.1**	$ 70.6	$ 68.9
Other Current Assets	**16.4**	17.0	14.7
Capital Assets	**187.4**	174.6	168.7
Total Assets	**278.9**	262.2	252.3
Liabilities			
Current Liabilities	**13.8**	15.5	16.0
Non-Current Liabilities	**55.6**	51.5	47.2
Total Liabilities	**69.4**	67.0	63.2
Total Net Assets	**$ 209.4**	$ 195.2	$ 189.1

Summary Level Financial Statements

Statement of Activities
Presented in millions of dollars

	2012	2011	2010
Revenue			
Program revenue	**$ 128.0**	$ 131.8	$ 123.8
General revenue	**13.2**	13.1	12.0
Total Revenue	**$ 141.2**	$ 144.9	$ 135.8
Expenses			
General government	**$ 2.0**	$ 2.1	$ 2.3
Public safety	**17.6**	16.8	16.4
Public works	**8.6**	6.8	7.7
Library and recreation	**2.4**	2.7	2.3
Community and economic development	**0.8**	1.2	2.2
Central services	**1.3**	1.5	1.4
Financial administration	**3.0**	3.0	7.0
Other post-employment benefits	**6.5**	7.4	0.1
Interest charges	**0.1**	0.1	-
Water/wastewater	**10.2**	10.1	11.0
Electric	**74.5**	87.1	87.8
Total Expenses	**$ 127.0**	$ 138.8	$ 138.2

Key Changes to Accounting for Pensions

1. Employer Liability

   - Current

     Annual required contribution (ARC)

     Less: actual contributions

     Net pension obligation (NPO)

   - New

     Total pension liability (TPL)

     Less: Fiduciary net position (FNP)

     Net pension liability (NPL)

2. Actuarial Method

   - Current guidance
     - Whatever actuarial method is used for funding
       - 6 acceptable methods
       - Must be applied within parameters defined by GASB
   - New guidance
     - No tie to actuarial method used for funding
     - All employers will use the entry age method for accounting and financial reporting purposes (with service cost determined as a percentage of pay)

Key Changes to Accounting for Pensions

3. Discount Rate

   - Current guidance
     - Estimated long term investment yield for the plan, with consideration given to the nature and mix of current and expected plan investments
   - New guidance
     - Modification necessary if it is expected that FNP will *not* be sufficient to pay benefits to active employees and retirees
     - Single blended rate equivalent to the combined effect of using the following rates:
       - For projected cash flows up to the point the FNP will be sufficient
       - For projected cash flows beyond that point, a yield or index rate on tax-exempt 20-year, Aa or higher rated municipal bonds

4. Employer Liability (cost-sharing)

   - Current guidance
     - Liability only if employer contribution is less than the contractually required amount
   - New guidance
     - Liability equal employer's proportionate share of total pension expense of all participating employees

Key Changes to Accounting for Pensions

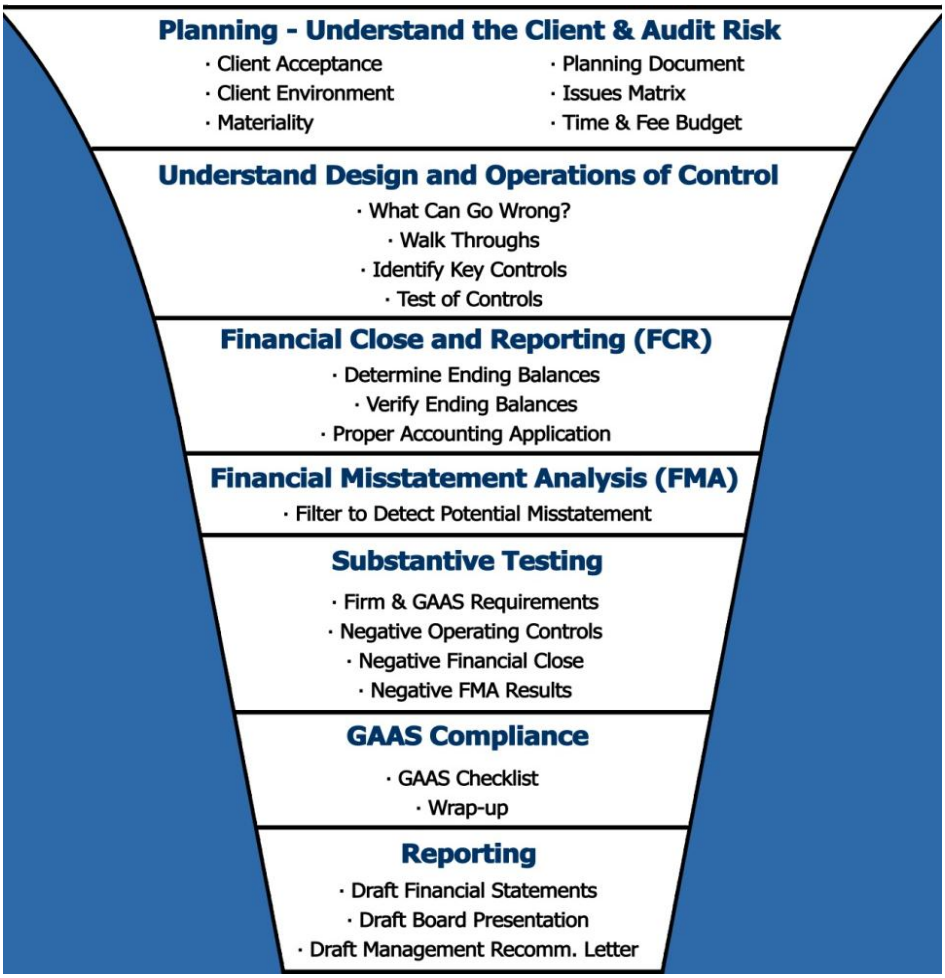
5. Amortization

- Background
  - Circumstances that could affect the net pension liability (NPL)
    - Changes in benefit terms
    - Changes in economic and demographic assumptions
    - Differences between economic and demographic assumptions and actual experience (other than investment returns)
    - Differences between expected and actual investments returns
- Current guidance
  - Effect amortized over a period not to exceed 30 years
- New guidance
  - Effect to be amortized over a much shorter period
    - Different periods, depending on the circumstances

SBC Risk-Based Audit Approach

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Risk-based Audit Approach



Focus During this Stage

- Identifying internal, external, and financial statements risks
- Develop audit plans

- Evaluate your controls and processes
- Test your key controls

- Evaluate your processes to report correct amounts
- Evaluate reporting policies

- Review financial statements for misstatements

- Verify selected account balances
- Obtain third-party verification

- Professional standards requirements
- Obtain representation

- Evaluate results of audit procedures
- Communicate results and prepare reports to issue

Required Communications

1. Auditor's Responsibilities Under Generally Accepted Auditing Standards (GAAS)

The financial statements are the responsibility of management. Our audit was designed in accordance with auditing standards generally accepted in the United States of America, and provide for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

2. Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by management are described in the notes to the financial statements.

3. Auditor's Judgments About the Quality of Accounting Principles

We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the financial statements, which include related disclosures.

We have reviewed the significant accounting policies adopted by the City of Dover, Delaware (the City) and have determined that these policies are acceptable accounting policies.

Required Communications

4. Audit Adjustments

We are required to inform the City's oversight body about adjustments arising from the audit (whether recorded or not) that could in our judgment either individually or in the aggregate have a significant effect on the entity's financial reporting process. We also are required to inform the City's oversight body about unadjusted audit differences that were determined by management to be individually and in the aggregate, immaterial.

The 2011 statement were restated to comply with GAAP. There were no significant passed adjustments identified during the audit process.

5. Fraud and Illegal Acts

We are required to report to the City's oversight body any fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.

Our procedures identified no instances of fraud or illegal acts that caused material misstatement.

6. Material Weaknesses in Internal Control

We are required to communicate all significant deficiencies in the City's systems of internal controls, whether or not they are also material weaknesses.

There were no material weaknesses noted during the audit.

Required Communications

7. Other Information in Documents Containing Audited Financial Statements

None.

8. Disagreements with Management on Financial Accounting and Reporting Matters

None.

9. Serious Difficulties Encountered in Performing the Audit

None**.**

10. Major Issues Discussed with Management Prior to Acceptance

None.

11. Management Representations

We will receive certain written representations from management as part of the completion of the audit.

12. Consultation with Other Accountants

To our knowledge, there were no consultations with other accountants since our appointment as the City's independent public accountants.

13. Independence

As part of our client acceptance process, we go through a process to ensure we are independent of the City. We are independent of the City.

Required Communications

14. Our Responsibility Related to Fraud

- Plan and perform the audit to obtain reasonable assurance that there is no material misstatement caused by error or fraud;
- Comply with GAAS SAS No. 99 “Consideration of Fraud in a Financial Statement Audit”;
- Approach all audits with an understanding that fraud could occur in any entity, at any time, by anyone; and
- Perform mandatory procedures required by GAAS and our firm policies**.**

Examples of Procedures Performed

- Discuss thoughts and ideas on where the financial statements might be susceptible to material misstatement due to fraud;
- Understand pressures on the financial statement results;
- Understand the tone and culture of the organization;
- Look for unusual or unexpected transactions, relationships, or procedures;
- Discussions with individuals outside of finance;
- Evaluate key processes and controls; and
- Consider information gathered throughout the audit.

Required Communications – Fraud

(continued)



Opportunity

- Generally provided through weaknesses in internal control
- Tone at the top is important
- We assess controls and tone at the top

Pressure

- Pressure can be imposed due to economic troubles, personal vices and unrealistic deadlines and performance goals
- There are increased pressures due to economy and minimal salary increases

Rationalization

- Individuals develop a justification for their fraudulent activities
- Increased rationalization due to minimal salary increases and less personnel

Responsibility for Mitigating Fraud



Management:

- CFO/Controller: controls to deter and detect fraud
- General Counsel/Compliance: monitoring

Audit Committee:

- Evaluate management identification of fraud risk
- Evaluate implementation of fraud controls
- Reinforce "tone at the top"
- Conduct special investigations

External Auditor

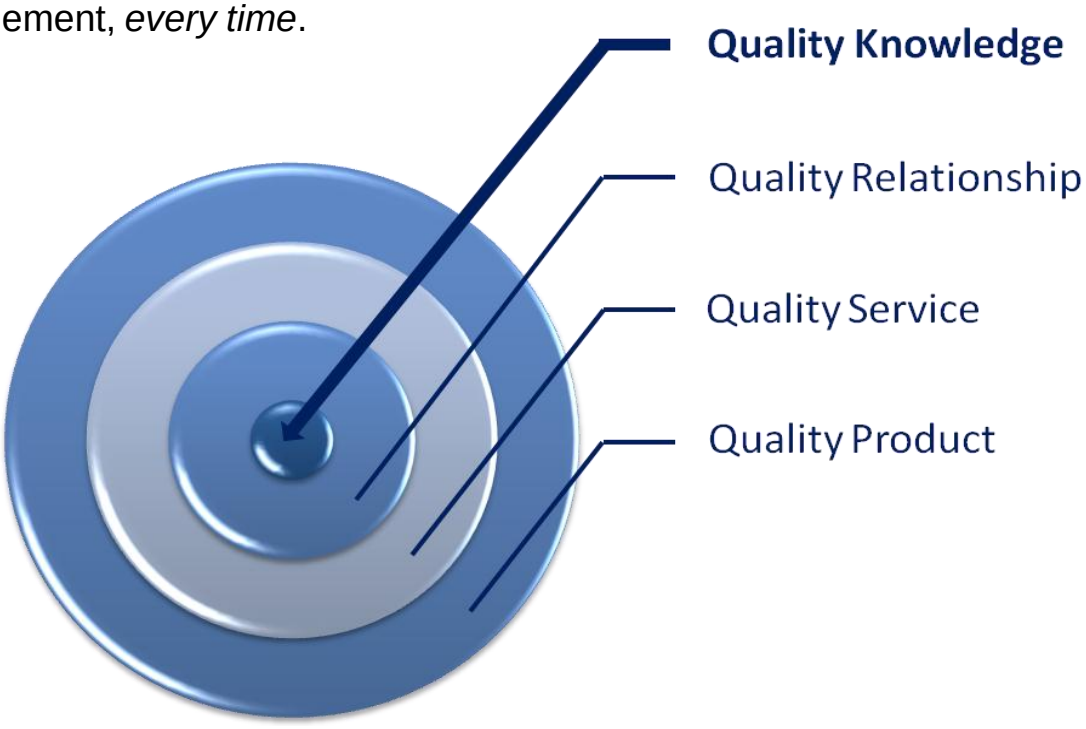
- Evaluate management programs and controls to deter and detect fraud for identified risks
- Reasonable assurance that financial statements are free of material misstatement due to fraudulent financial reporting or misappropriation of assets
- Compliance with fraud standard (SAS 99)
  - Conversations with finance and operations personnel
  - Disaggregated analytics
  - Surprise audit procedures
  - Journal entry testing

SBC's Service Pledge to You

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We will consistently deliver a **Quality Product** and **Quality Service** so that we have the opportunity to establish a **Quality Relationship** with **the City**, allowing us to provide you with **Quality Knowledge** for your continual success. Only after we have provided you with the knowledge that enables your business to grow and prosper, we have ***hit the bullseye!***

Our commitment to you is the execution of our **Bullseye Philosophy.** We execute this philosophy for every client, on every engagement, *every time*.



Contact Information

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CITY OF DOVER, DELAWARE

Single Audit Together with Reports of Independent Public Accountants

For the Year Ended June 30, 2012

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SB & COMPANY, LLC
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JUNE 30, 2012

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Honorable Mayor and Members of the
City Council of Dover, Delaware
Dover, Delaware

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover Delaware (the City), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We also audited the adjustment described in Note 8 that was applied to restate the balance sheet as of June 30, 2011. In our opinion, such adjustment is appropriate and has been properly applied.

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Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the general fund - schedule of revenues, expenditures, and changes in fund balance - budget and actual, the governmental capital projects fund - schedule of revenues, expenditures and changes in fund balance - budget and actual, and required supplemental schedules of funding progress and schedules of employer contributions for the Pension Plans Funds and Other Post Employment Plan, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements and other budgetary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

Hunt Valley, Maryland
December 21, 2012

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and Members of the
City Council of Dover, Delaware
Dover, Delaware

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, Delaware (the City), as of and for the year ended June 30, 2012 and have issued our report thereon dated December 21, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the City Commissioners, others within the City, Federal awarding agencies and, if applicable, pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Hunt Valley, Maryland
December 21, 2012

DRAFT

SB & COMPANY, LLC
EXPERIENCE • QUALITY • CLIENT SERVICE

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Mayor and Members of the
City Council of Dover, Delaware
Dover, Delaware

Compliance

We have audited the City of Dover's (the City) compliance with the types of compliance requirements described in OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended June 30, 2012. The City's major Federal programs are identified in the summary of independent public accountant's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2012, and have issued our report thereon dated December 21, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

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Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2012-01, 2012-02, and 2012-03.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2012-01, 2012-02, and 2012-03.

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A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the City Commissioners, Federal awarding agencies and, if applicable, pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Hunt Valley, Maryland
March __, 2013

DRAFT

CITY OF DOVER, DELAWARE

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-through or Grant Number	Federal Expenditures
Department of Housing and Urban Development			
Community Development Block Grant	14.218	B-09-MC-10-0002	**$ 71**
Community Development Block Grant	14.218	B-10-MC-10-0002	**48,442**
Community Development Block Grant	14.218	B-11-MC-10-0002	**179,566**
Passed through State of Delaware			
Neighborhood Stabilization Program	14.228	Contract No. NSP 02-08	**171,756**
Total Department of Housing and Urban Development			**399,835**
Department of Justice			
VAWA Grant	16.588	VW09-214	**300**
CJC PSN Grant	16.609	SN08-404	**5,276**
LE Training & OT	16.738	DB10-10	**19,116**
FY 2012 ATF	16.727		**6,717**
Byrne Grant	16.738	2009-DJ-BX-0478	**18,893**
Byrne Grant	16.738	2010-DJ-BX-0020	**46,018**
Byrne Grant	16.738	2011-DJ-BX-2449	**72,020**
Byrne Grant	16.738	2012-DJ-BX-0242	**10,479**
Title V - Delinquency Prevention Program	16.548	JD09-91	**11,369**
Title V - Delinquency Prevention Program	16.548	JD10-91	**23,793**
2009 Cops Grant	16.710	2009RKWX0194	**72,395**
Federal Forfeiture Funds	16.000	DE0010100	**221,710**
Total Department of Justice			**508,086**
Department of Transportation			
FY 10 Hwy Safety Grant	20.600		**10,175**
Highway Special Events	20.600		**51,067**
FY 11 Highway Safety Grant	20.600	H107	**11,634**
Total Department of Transportation			**72,876**
Department of Education			
Project Support Grant	45.025	2012.6153	**1,500**
Environmental Protection Agency			
Passed through State of Delaware			
ARRA - Capitalization Grant for Clean Water - State Revolving Funds WW	66.458	12000032	**691,351**
ARRA - Capitalization Grant for Clean Water - State Revolving Funds Water	66.468	21000038	**1,899,907**
ARRA - Capitalization Grant for Clean Water - State Revolving Funds WW	66.458	12000047	**393,674**
ARRA - Clean Water Act Section for Watershed Coordinator	66.454	2P-97381001	**33,443**
Total Environmental Protection Agency			**3,018,375**

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The accompanying notes are an integral part of this schedule.

CITY OF DOVER, DELAWARE

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through or Grant Number	Federal Expenditures
Department of Homeland Security			
FY10 BZPP-Dover PD	97.078	FY10 BZPP-Dover PD	**$ 53,650**
FY10 BZPP-Dover PD	97.078	FY10 BZPP-Dover PD	**19,850**
FY10 BZPP-Dover PD	97.078	FY10 BZPP-Dover PD	**10,150**
Total Department of Homeland Security			**83,650**
Total Expenditures of Federal Awards			**$ 4,084,322**

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The accompanying notes are an integral part of this schedule.

CITY OF DOVER, DELAWARE

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of the City of Dover, Delaware (the City) are included in the scope of Office of Management and Budget (OMB) Circular A-133 Audit (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB Circular A-133, Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below. The programs on the Schedule of Expenditures of Federal Awards represent all Federal award programs and other grants with fiscal year 2012 cash or non-cash expenditure activities. For our single audit testing, we tested Federal award programs to ensure coverage of at least 50% of Federally granted funds. Our actual coverage was 73%. The major programs tested are listed below.

Major Program	CFDA Number	Federal Expenditures
ARRA - Capitalization Grant for Clean Water - State Revolving Funds WW	66.458	$ 1,085,025
ARRA - Capitalization Grant for Clean Water - State Revolving Funds Water	66.468	1,899,907
		$ 2,984,932

2. BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal awards is prepared on the accrual basis of accounting.

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CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section I –Summary of Independent Public Accountants' Results

Financial Statements

Type of independent public accountants' report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies:	None noted
Noncompliance material to financial statements?	No

Federal Awards

Type of report of independent public accountants' issued on compliance for major programs:	Unqualified
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies:	Yes
Audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes

Identification of Major Programs:

Major Program	Federal CFDA	Federal Expenditures
ARRA - Capitalization Grant for Clean Water - State Revolving Funds WW	66.458	$ 1,085,025
ARRA - Capitalization Grant for Clean Water - State Revolving Funds Water	66.468	1,899,907
		$ 2,984,932

Dollar threshold used to determine Type A and B programs	$ 300,000
Does the City qualify as a low-risk auditee?	No

DRAFT

CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section II –Financial Statement Findings

None noted.

Section III –Federal Award Findings

See Reference Numbers 2012-01, 2012-02, and 2012-03.

DRAFT

CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Reference Number: 2012-01
Program Number: CFDA #16.738 FY10 LE Training & OT
CFDA #16.727 FY 2012 ATF

Type of Finding: Noncompliance, Significant Deficiency
Compliance Requirement(s): Allowable Costs, Payroll and Fringe Benefits

Criteria:
Per the 2011 Financial Guide, U.S. Department of Justice, Office of Justice Program, allowable costs, overtime compensation:

1. You should compensate recipient and subrecipient employees with overtime payments for work performed in excess of the established work week (usually 40 hours).
    a. Payment of more than occasional overtime is subject to periodic review by the awarding agency.
    b. In addition, overtime compensation is typically reviewed during site visits and audits.
2. Executives, such as the president or executive director of an organization, may not be reimbursed for overtime or compensatory time under grants and cooperative agreements.
3. In no case is dual compensation allowable. That is, an employee of a unit of Federal, State, or local government may not receive compensation from his/her unit or agency of government and from an award for a single period of time (e.g., 1 to 5 p.m.), even though such work may benefit both activities.

Condition:
The City allows officers to receive compensation for vacation/leave time and from Federal award for a single period of time (e.g. 1 to 5 p.m.). The officers are working an extra-duty shift that is paid at time and half and charged against the Federal grant.

Cause:
The City is not familiar with the allowable costs of the grants

Effect:
The Federal programs were charged with OT, while the officer had not worked more than 40 hours during the week.

Recommendation:
We recommend the City ensure that officers who are working on Federal grants are doing so on regularly scheduled time off or requested time off that is not counted as vacation or leave.

Questioned costs:
Unknown.

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CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Reference Number: 2012-01 (continued)

Corrective Action Plan:

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CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Reference Number: 2012-02
Program Number: Police Grants

Type of Finding: Noncompliance, Significant Deficiency
Compliance Requirement(s): Allowable Costs

Criteria:
Per the 2011 Financial Guide, U.S. Department of Justice, Office of Justice Program, support of salaries, wages, and fringe benefits:

Charges made to Federal awards for salaries, wages, and fringe benefits will be based on payroll records approved by a responsible official(s) and in accordance with the generally accepted practice of the organization.

- Where recipient employees are expected to work solely on a single Federal award, charges for their salaries must be supported by periodic certifications.
- These certifications must be prepared at least every 6 months and signed by the employee and supervisory official having firsthand knowledge of the employee's work.
- Where grant recipients work on multiple grant programs or cost activities, a reasonable allocation of costs to each activity must be made based on time and/or effort reports (e.g., timesheets). These reports must:
    - Reflect an after-the-fact distribution of the actual activity of each employee;
    - Account for the total activity for which each employee is compensated;
    - Be prepared monthly and coincide with one or more pay periods; and
    - Be signed by the employee and approved by a supervisory official having firsthand knowledge of the work performed.
- In cases where two or more grants constitute one identified activity or program, salary charges to one grant may be allowable after written permission is obtained from the awarding agency.

Condition:
During procedures performed to understand controls, SBC confirmed that officers that are being charged to the grants are not reporting their time individually. Officers have the ability to record time for another officer.

Cause:
The City is unaware of the time reporting requirements applicable to Federal grants.

Effect:
Federal grants may have been charged with wrong amounts supported inaccurate time reports.

Recommendation:
We recommend that the City adjust their time reporting system to restrict users from the ability to report time on another individual's behalf.

CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Reference Number: 2012-02 (continued)

Questioned costs:
Unknown.

Corrective Action Plan:
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CITY OF DOVER, DELAWARE

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Reference Number: 2012-03

Program Number: All

Type of Finding: General, Significant Deficiency
Compliance Requirement(s): Identification

Criteria:
According to OMB Circular A-133, all expenditures related to Federal grants must be reported on the City's Schedule of Expenditures of Federal Awards within the Single Audit report.

Condition:
City administrators reported an incomplete SEFA, upon further inquiry, additional Federal funds were discovered. Prior years federal amounts could be understated

Cause:
Because most of the grants are received through sub-recipients and were not notified that the grants were from federal agencies.

Effect:
Prior years federal amounts could be understated

Recommendation:
We recommend the City ensure that costs and contributions included as a match meet the basic criteria for acceptable matching, including that the costs are not paid by the Federal Government under another award, except where authorized by Federal statute to be allowable for cost sharing or matching. We recommend that the City monitor that the required matching contributions are met.

Questioned costs:
Unknown.

Corrective Action Plan:
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DRAFT

CITY OF DOVER, DELAWARE

Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2012

Finding 2011-1

Department of Housing and Urban Development Community

Development Block Grant
CFDA No. 14.218

Type of Finding: Noncompliance, Significant Deficiency
Compliance Requirement(s): Sub-recipient Monitoring

Criteria:
The City of Dover passes through grant funds received under the Community Development Block Grant to non-profit organizations in its area. As a pass-through entity, the City has certain responsibilities in regards to its sub-recipients. One of these requirements is to identify to the sub- recipient the Federal award information, i.e. CFDA title and number, award name and number, and name of Federal awarding agency.

Condition:
For the year ended June 30, 2011, the City made three sub-awards and did not comply with the requirement to notify the sub-recipients of the Federal award information.

Cause:
The City does not have written procedures covering its responsibilities regarding sub-recipients.

Effect:
The sub-recipient's lack of information could cause a sub-recipient to not comply with requirements of the Single Audit Act.

Questioned Costs:
None.

Recommendation:
We recommend that the City should review its responsibilities with respect to sub-recipients and design procedures to ensure compliance with the requirements.

Auditee Response and Corrective Action Plan:
The City has addressed the procedural matter of notifying the sub-recipients of the Federal award information. Staff has been requested to establish written procedures covering its responsibilities regarding the sub-recipients within the next thirty days. The City will provide you, the auditors, the formal procedures as soon as they are available.

Status:

DRAFT

ACTION FORM

PROCEEDING: Legislative, Finance, and Administration Committee **MEETING DATE:** 03/25/13
DEPARTMENT OF ORIGIN: City Council
PREPARED BY: Traci A. McDowell, City Clerk, on Behalf of Councilman Sean Lynn

SUBJECT: Excused City Council Member Absences **DATE SUBMITTED**: 03-20-2013
RELATED PROJECT: N/A
APPROVALS: LF&A Committee and City Council
EXHIBITS: Proposed Ordinance #2013-06 Amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code
EXPENDITURE REQUIRED: $ N/A **AMOUNT BUDGETED**: $ N/A **FUNDING SOURCE (Dept./Page in CIP & Budget)**: N/A
TIMETABLE: Council Review/First Reading on April 8, 2013. Final Reading on April 22, 2013.

RECOMMENDED ACTION: Adoption of Proposed Ordinance #2013-06

BACKGROUND AND ANALYSIS

At the request of Councilman Lynn, staff prepared Proposed Ordinance #2013-06 amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code. This amendment would establish a procedure for excusing City Council member absences and provide a list of excusable absences.

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CITY OF DOVER
PROPOSED ORDINANCE #2013-06

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

That Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings, of the Dover Code be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Sec. 2-51. - Regular meetings.

(a) *When and where held*. Regular meetings of the mayor and city council shall be held on the second and fourth Monday of each month at the time and place designated by the council president.

(b) *Notice*. Notice to the councilmembers of regular meetings shall not be required, except when the regular meetings are to be held at a place other than city hall.

(c) In order to ensure transcription accuracy, enhance accountability and deliver information efficiently to the public, all meetings of the Dover City Council and of any board, commission, task force or committee which is established by the City Charter or ordinance, or by motion or resolution of the city council shall be audio taped and all such recordings shall be maintained in an unedited format. Audio recording shall be required when the necessary equipment is in good working order and knowledgeable staff is available to operate the recordation system.

Sec. 2-52. - Special meetings.

(a) *When and where held*. Special meetings of the mayor and city council shall be called by the mayor or the council president. Designation of the time and place of the special meetings shall be delivered by verbal or written notice to each councilmember at least 24 hours prior to the meetings.

(b) *Waiver of notice*. The notice of the special meeting may be waived by the councilmembers individually.

Sec. 2-53. - Cancellation of meetings; one meeting per month required.

Any meeting of the mayor and city council provided for by this division may be cancelled by unanimous consent of the mayor and councilmembers, except that one meeting per month shall be held as is required by section 9 of the City Charter.

Sec. 2-54. - Excused absences.

In accordance with Article II, Section 13 of the City of Dover Charter, a council member shall forfeit their office if they fail to attend three consecutive regular meetings of the council without being excused by the council.

Draft

(a) Procedure for Excused Absences. Council members shall be required to contact the City Clerk's office no later than 4:00 p.m. of the day of the meeting requesting to be excused from the meeting and stating the reason for such absence. Failure to comply, except in cases of emergency, shall result in an unexcused absence. The Clerk shall inform the Council of the reason for the member's absence. Upon passage of a motion by a majority of the members present, the absent member shall be considered excused and the Clerk will make an appropriate notation in the minutes. If the motion is not passed, the Clerk will note in the minutes that the absence is unexcused.

(b) Excused Absences. Excused absences shall be limited to those which meet both of the following requirements:

(1) The absent member must have informed the City Clerk's Office of their intended absence prior to the scheduled meeting. Failure to inform prior to the meeting shall result in an unexcused absence, unless extenuating circumstances prevent advance notice, and

(2) The absence is due to one of the following:

(i) A death in the family
(ii) Family or personal illness
(iii) City-related business
(iv) Personal leave (limited to one per fiscal year)
(v) Emergency
(vi) Decision by member's supervisor in employment
(vii) Required military service
(vii) Inclement weather
(viii) Accident
(ix) Scheduled vacations

ADOPTED: *

S:\ORDINANCES\2013\Draft\2013-06 Excused Absences.wpd

SYNOPSIS

The proposed ordinance would establish a procedure for excusing City Council member absences and provide a list of excusable absences.

(SPONSORS: LYNN, DIXON, AND ANDERSON)

Actions History

March 25, 2013 - Introduced at Legislative, Finance, and Administration Committee

Draft

From: David Anderson [**mailto:davidlevianderson@gmail.com**]
Sent: Monday, March 11, 2013 4:58 PM
To: City Clerks Office; McDowell, Traci; Devine, Denise; Stein, Jody
Subject: Urgent regarding substitue to temporary succession

RE: substitute for the temporary Succession

Dear Sirs/madam:

I am not available to attend the March 11, 2013 meeting due to new orders through the 15th. I would, however, like to give my views on the proposed substitute.

Of course, my view is that the option of having someone in the seat is the best option for various reasons including quorum, equal representation, and voter intent, but the idea of providing clearer intent is a good one.

I believe the current language of the substitute is too bureaucratic. I believe that the language should give the Council President the authority to excuse a member for one of the reasons listed, but if there is any other reason given or the Council President does not excuse the member then the majority of council should take a vote. If the proposed charter amendment gives specific reasons for an excused absence, the only reason for a vote of council would be if there were a grey area not listed or a member felt like a member's excuse was wrongfully denied. In the case of the Council President excusing him or herself, a majority should be able to reverse the decision if they feel it is wrongfully given.

The next area is that specific times should not be in the charter because Council has the right to change meeting times. Before a regularly scheduled meeting should suffice or at least two hours before.

Thank you

David Anderson

ACTION FORM

PROCEEDING: Legislative, Finance, and Administration Committee
DEPARTMENT OF ORIGIN: City Manager **DATE SUBMITTED**: 03/20/2013
PREPARED BY: Scott D. Koenig, P.E., City Manager
SUBJECT: City Hall Replacement – Potential RFP for Architectural Services for Conceptual Design
REFERENCE:
RELATED PROJECT:
REVIEWED BY: City Manager and Controller
EXHIBITS: Exhibit A – City of Dover Facility Discussion – January 2013
EXPENDITURE REQUIRED: **$20,000 - $30,000 Est.** **AMOUNT BUDGETED**: N/A **FUNDING SOURCE (Dept./Page in CIP & Budget)**: Would be proposed for FY-2014 Budget
TIMETABLE: Issue RFP within thirty (30) days of City Council Authorization.
RECOMMENDED ACTION: Authorize the City Manager to issue an RFP for architectural services to prepare concepts to replace existing office space related to City Hall and 5 East Reed Street.

BACKGROUND AND ANALYSIS

In January 2013, the City Manager prepared a brief outline of a proposal to evaluate the possible replacement of the exiting City Hall building with a new West Wing and Connector. Currently, the City of Dover still owns both the old Dover Public Library as well as the 5 East Reed Street Building. Old City Hall, the Old Library and 5 East Reed Street all need building system improvements over the coming years. The City Manager believes it will be in the City's best interest to conduct a formal evaluation of the merits to replace a majority of the City Hall building. This concept would allow us to move all staff from 5 East Reed Street and City Hall under one building and gain efficiencies. The City Manager is requesting authorization to issue an RFP for architectural services to conduct a space evaluation and conceptual planning for the replacement of our existing office space. An internal review committee will be put together to review the proposals submitted by interested architects. This conceptual planning expenditure would be budgeted for in the FY-2014 Operational Budget.

Various entities have expressed interest in the purchase/lease of the Old Library Site and other office space in 5 East Reed Street so the City of Dover would have options to refill or sell the office space being vacated from these buildings.

City of Dover
Facility Discussion

January 2013

Goal

- In 2006, staff created a Ten Year Plan for City buildings. The intent of that plan was to create spaces and places for the City's elected officials and employees to provide quality services to the citizens.

2006 Space Needs Study Results

Department	Existing Sq. Ft.	1 – 2 Years	Public Accessibility	Highest Immediate Priority	Long Range	Future Sq. Ft.
City Clerk	597	not enough space – reception area, counter space	Important	Reception Area	Reception area, counter space, workstation, maybe Mayor's responsibilities will be closer to Council	700
City Manager/ Mayor	1,450		Important		One additional office	1,600
Finance	1,197	One additional office	Low	Office for Ray Cola	Additional office, audit room	1,500
Human Resources	560	Storage, interview room	Somewhat	Interview Room	Additional office, interview room	850
Planning/Inspections	2,464	Storage, more privacy, separation for inspectors	Important		Consolidation of department into one area/more inspectors	3,500
Customer Service – Budgets	248	Storage	None	Larger office for Director	Larger office area	400
Customer Service	3,502	Storage, document imaging area, conference room	Important	Meter Readers area	May actually reduce	4,400
Public Works – Admin./Eng.	1,230	Directors office to small, larger reception area, larger engineer's offices, small conference room	Somewhat	Office Space	Large offices with one additional office, move closer to supervisors & consolidate supervisors into one location	1,550

2006 Space Needs Study Results - Continued

Department	Existing Sq. Ft.	1 – 2 Years	Public Accessibility	Highest Immediate Priority	Long Range	Future Sq. Ft.
Tax Assessor	551		Somewhat		May need less space	500
Council Chambers	2,015	Restructure for better viewing and media presentations	Important	Restructure for better viewing & media presentations	One new office	700
Information Technology	1,618	One additional office	None	GIS person	Windows, less space for computers getting smaller	1,800
Police Department		No space for computer/radio equipment, interview room converted to offices	Important	Communication and IT equipment room	Move into 2nd floor	
Parks & Recreation	1,171		Important	Relieve overcrowding		
Caucus Room	447	Bigger room/better media presentation			Ability to divide into 2 rooms	1,800
Council Work/Meeting Room	247	No private space to meet public when other needs room	Important	APD	An internal office	400

Lack of Security

June 2005 Vulnerability Assessment

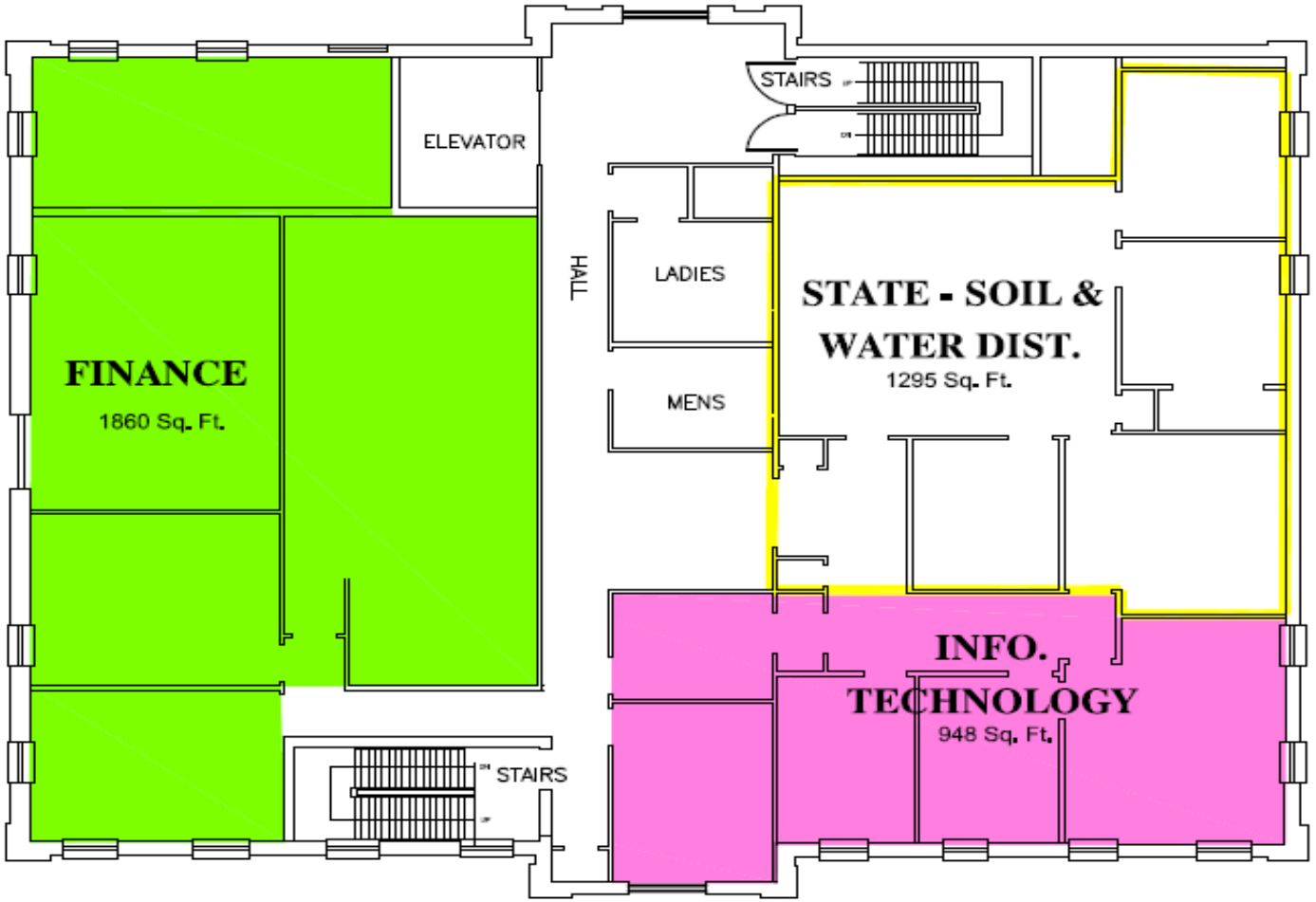
City Hall & Weyandt Hall

- Blast Resistant Windows Needed
- Install Fire Suppression System
- Install Alarm System
- Improve Surveillance with CCTV
- Restrict Access - key entry, visitor logs, etc.
- Relocate Mail Room – separate with blast hard walls
- HEPA filters to Air Handling System
- Add emergency back up power system

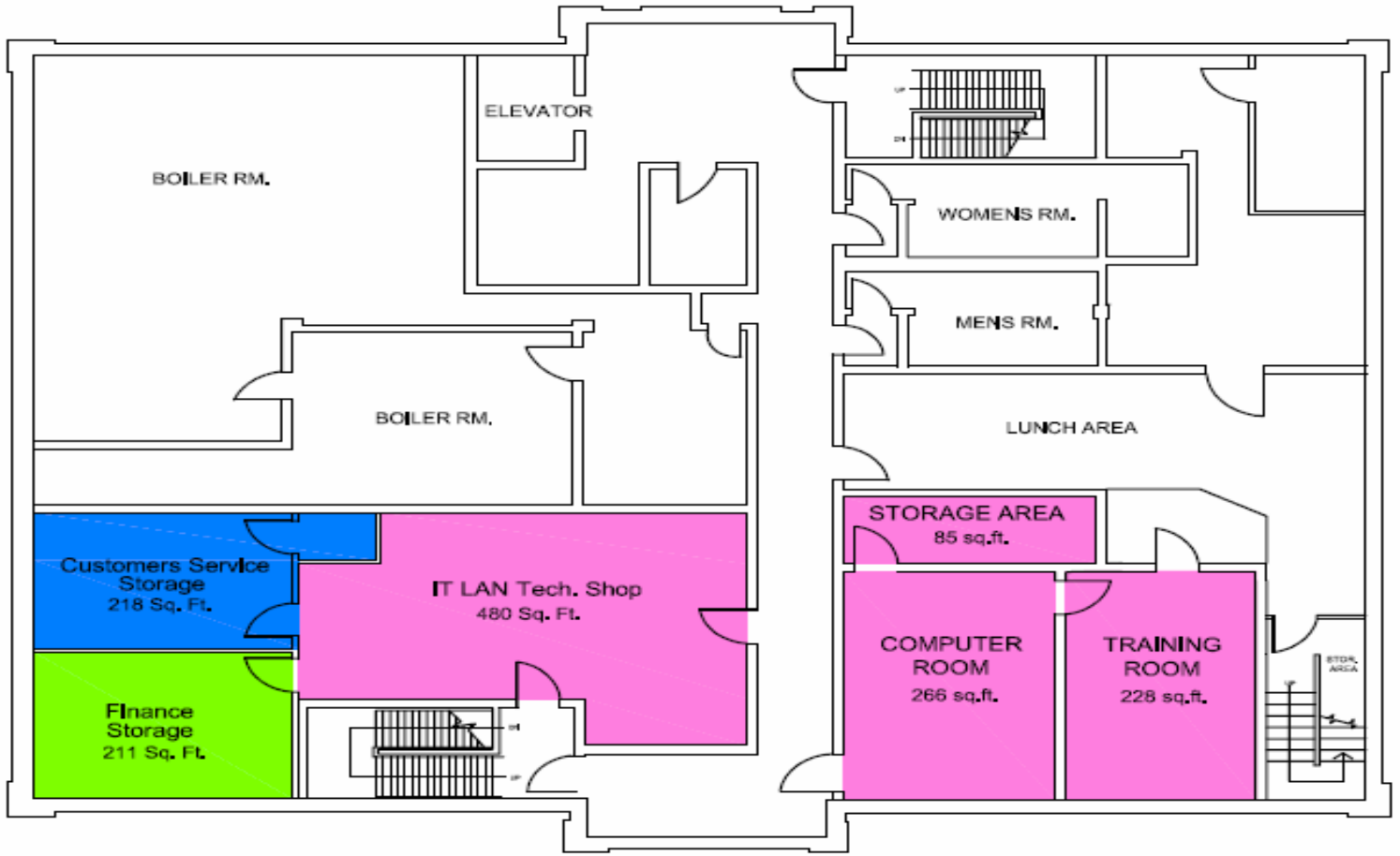
Weyandt Hall Square Footage

Finance	1,860
Info. Technology	950
Tax Assessor	500
Customer Service	3,500
C.S. & Fin. Storage	430
Info. Technology Shop	480
Training Room	580
Total Square Footage	8,300 S.F.

3rd Floor - Weyandt Hall



Basement at Weyandt Hall



Wyandt Hall Major Problems

- Needs new HVAC system.
- Significant problems with climate control
- Roof leaks
- Estimated cost to replace roof & HVAC
- $1,646,907 in December 2011.

City Hall Annex & Connector

- Annex - 9,600
- 2nd Floor of Annex - 1,200
- Connector - 900
- Total Area - 11,700 s.f.

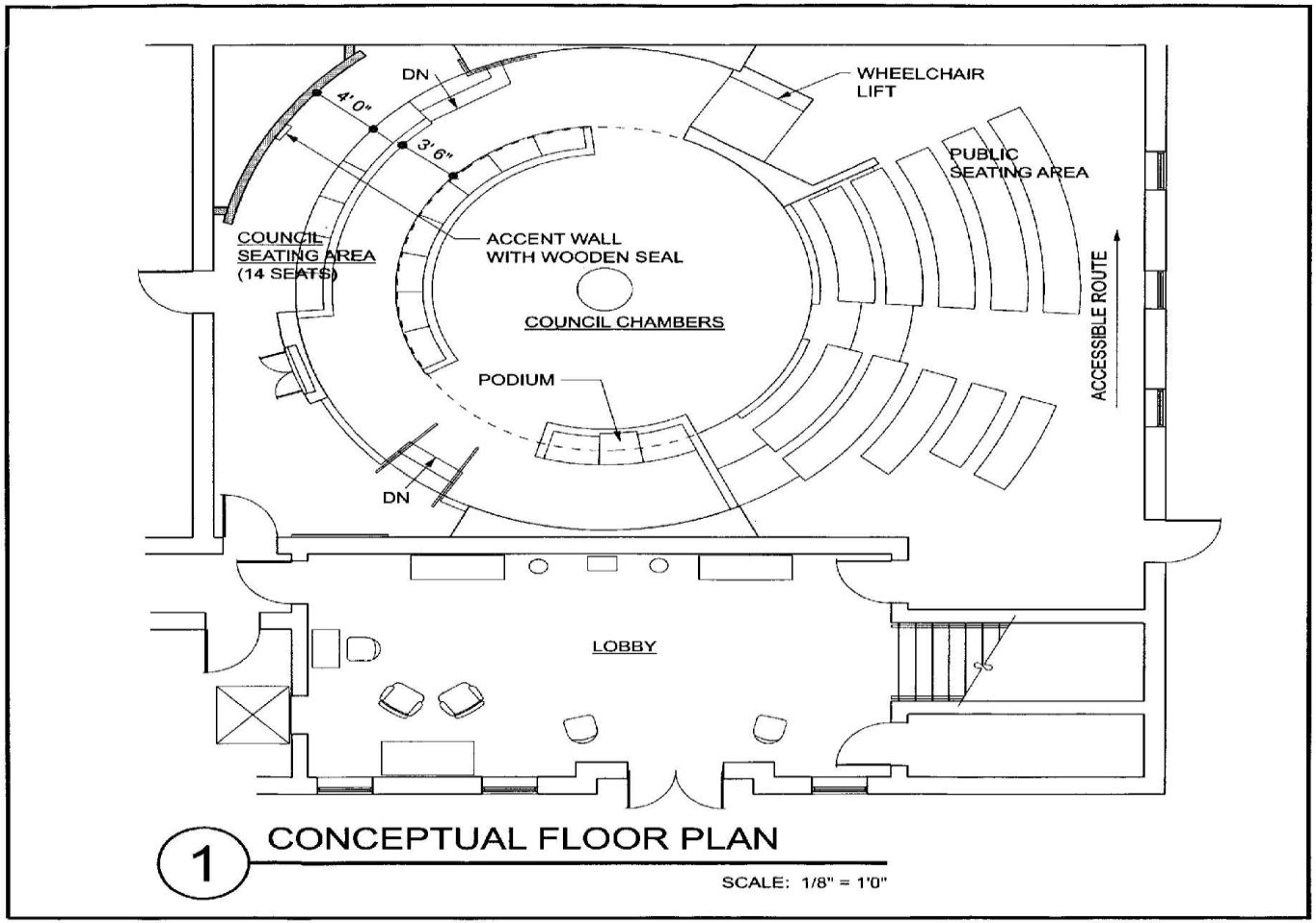
Existing City Hall

- Lacks Fire Suppression System - $288,000 Authorized
- Final Design of System has raised concerns and price - $75,000 to $100,000.
- City Council Chambers are not handicapped accessible - $20,000 minimum to install lift; however, the space will layout poorly.
- HVAC system has concerns about viable maintenance and efficiency.

The 2006 Council Chambers Plan

- Proposed permanent change to Chambers;
- Put all Council Members behind one dais;
- Created a presentation area easily seen by audience and City Council;
- Whole room to be ADA accessible;
- 59 existing public seats increased to 67.

New Council Chambers

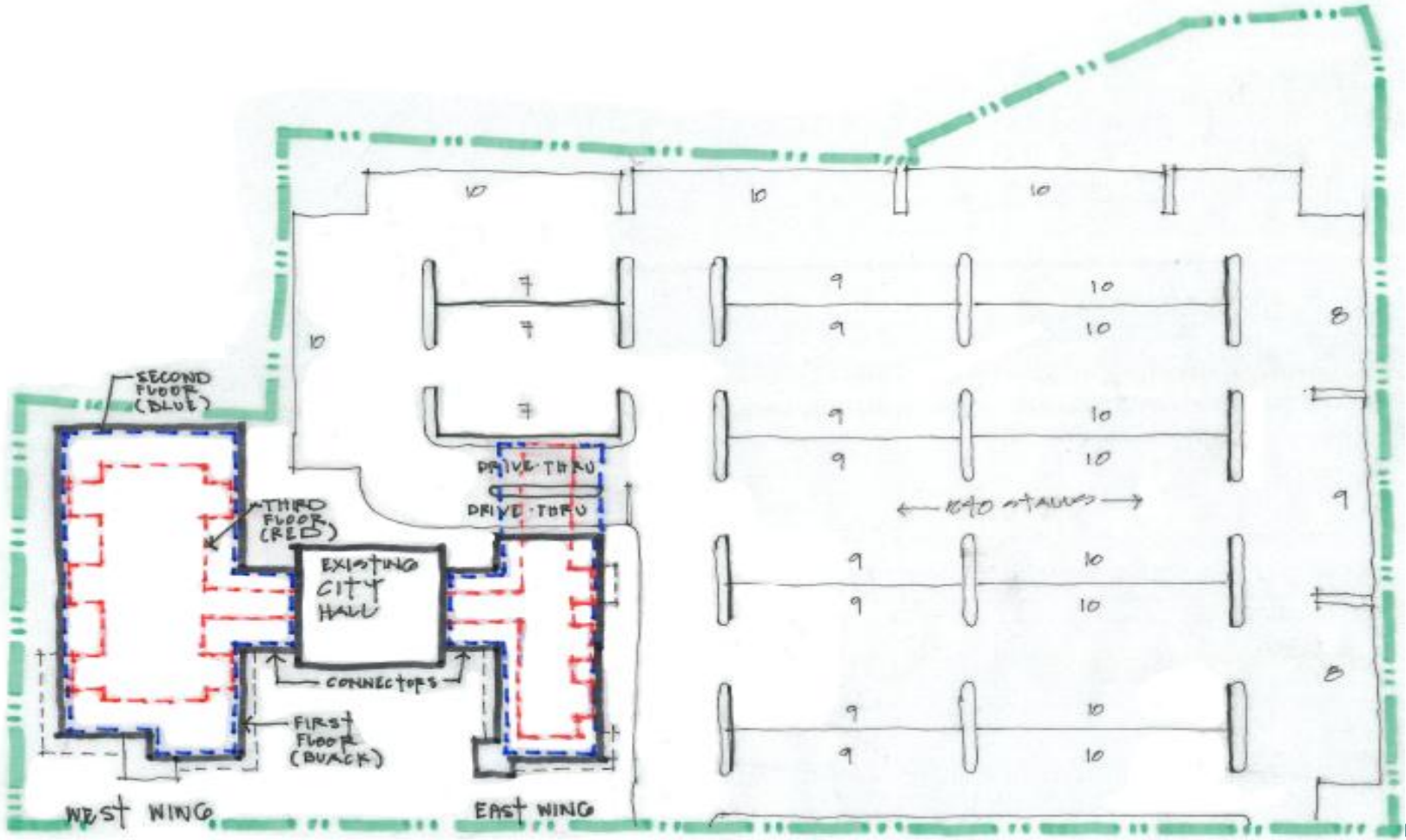


Total City Hall & Weyandt Hall Square Footage Needed

- Replace: City Hall Annex - 11,700
  Weyandt Hall - 8,300

Current Square Footage - 20,000

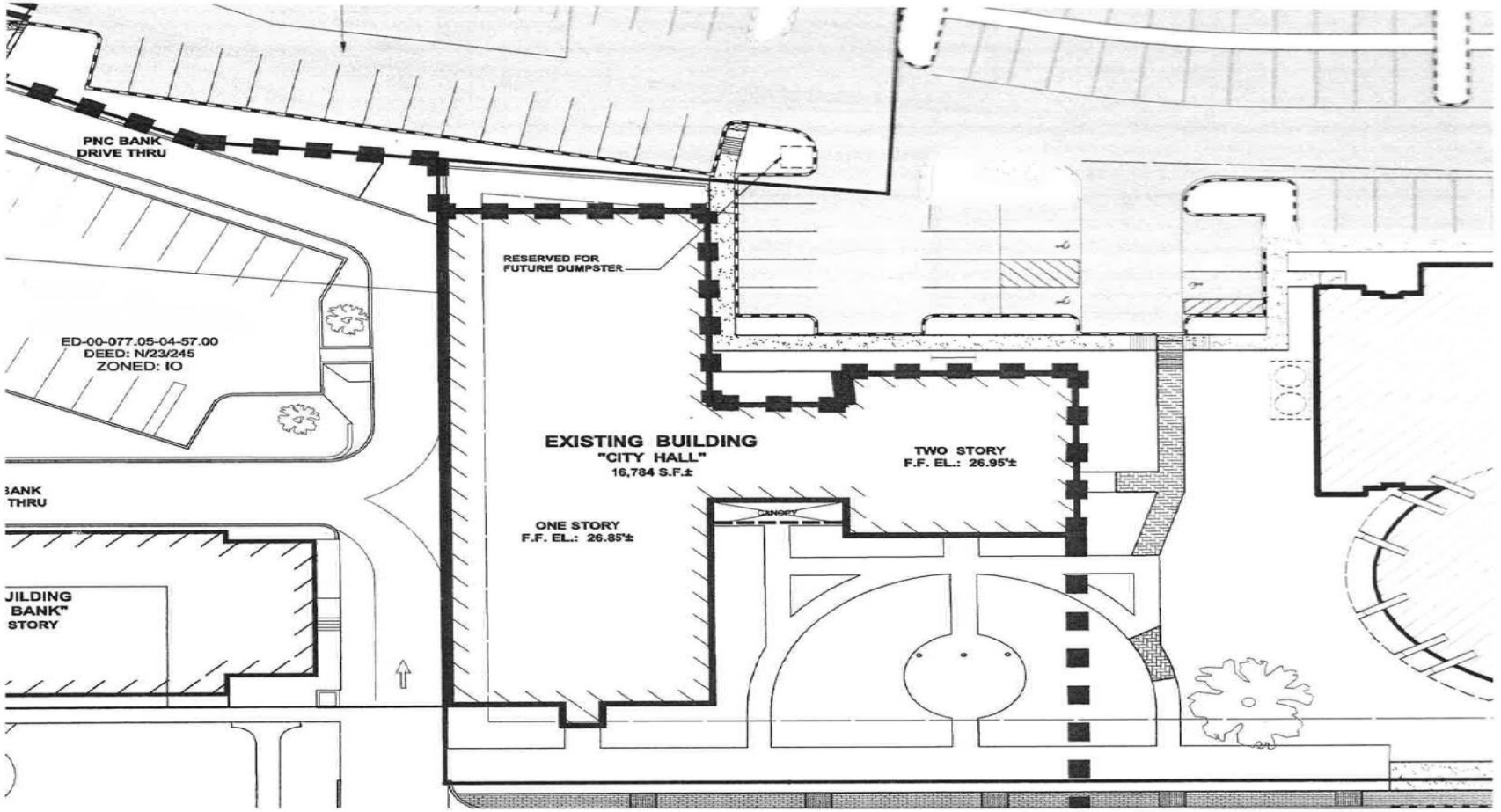
City Hall –Three Story Concept



City Hall – 2006 Concept



City Hall Site Layout



Concept Proposal

- Construct 3-story West Wing to City Hall – approx. 28,800 square feet
- Construct 2-story connector to old City Hall – approx. 1,800 square feet

- Total Area Constructed – 30,600 s.f.
- Increase of roughly 53%

How Much Would IT Cost?

- All In Costs – Design, Demolition, Construction & Furnishing.
- Low Range - $ 11.4 million
- Medium Range - $ 12.6 million
- High Range - $ 13.7 million

- Above costs are for 37,600 s.f.

Weyandt Hall , Library & Parking Lot

- Eventual sale will help off set cost of construction;
- Valuable downtown asset;
- State of Delaware is a possible buyer.

How do we pay for IT

- Long term building improvement
- 40 plus years

- Go to the Bond Market.
- Since the building would include Customer Service, the cost could be allocated between all funds: Electric, W/S and General

Questions



ACTION FORM

PROCEEDING: Legislative, Finance & Administration Committee
DEPARTMENT OF ORIGIN: Planning & Inspections **DATE SUBMITTED**: March 22, 2013
PREPARED BY: Ann Marie Townshend, AICP – Director of Planning and Inspections
SUBJECT: Evening and Weekend Code Enforcement Coverage
REFERENCE: N/A
RELATED PROJECT: N/A
REVIEWED BY: City Manager & City Controller
EXHIBITS: Letter of February 13, 2013 from Senator Brian J. Bushweller
EXPENDITURE REQUIRED: N/A **AMOUNT BUDGETED**: $923 remaining in FY13 **FUNDING SOURCE (Dept./Page in CIP & Budget)**: 110-1600-532.10-12
TIME TIMETABLE: To begin upon Council approval and notification of employees with regard to schedule change.
RECOMMENDED ACTION: Staff recommends that the Committee instruct staff to develop a schedule and budget for overtime for FY14 to support evening and weekend Code Enforcement Coverage.

BACKGROUND AND ANALYSIS

The city has seen an increase in code violation complaints that take place during evening and weekend hours. The Code Enforcement staff works during normal business hours, 8:00 a.m. through 5:00 p.m. on Monday through Friday. To expand hours to include enforcement on evenings and weekends, there would need to be funds budgeted for overtime expenses. A letter from Senator Bushweller is attached, where he requests that the City consider expanding its Code Enforcement coverage to include evenings and weekends due to complaints received by his office.

Evening coverage can be achieved by flexing staff schedules to include later start and end times (for example a schedule that would include one day each week of 11:00 a.m. to 8:00 p.m.); however, the expansion of enforcement to include weekends would need to be paid through overtime pay. Currently, there is $923 in overtime remaining in the Code Enforcement budget for FY 13. Overtime was budgeted in this division to assist the Fire Marshal's Office with off-hour fire investigation. The remaining balance can be allocated to weekend code enforcement.

If the Committee believes it is a priority to expand Code Enforcement Coverage to include evenings and weekends, then the following is recommended:

- Adjust staff schedules to have 3-5 days each week during spring, summer and fall months where one staff member is on duty until 8:00 p.m. This would likely be reduced to one evening per week in winter months when outdoor activity is less prominent.
- Provide four (4) hours of weekend coverage to be scheduled on Saturday or Sunday, and budget for overtime to pay for these added hours. Utilizing comp time for this would diminish Code Enforcement services, as each hour of comp time worked equates to 1.5 hours off during the normal workday.
- If we were to budget for this amount of overtime for FY14, we would need to budget approximately $5,500 in salary plus the associated benefit load.

BRIAN J. BUSHWELLER
STATE SENATOR
17TH District

SENATE
STATE OF DELAWARE
411 LEGISLATIVE AVENUE
DOVER, DELAWARE 19901

COMMITTEES
Insurance, Chair
Adult & Juvenile Corrections
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Community/County Affairs
Finance
Highways & Transportation
Public Safety

RECEIVED
FEB 19 2013
CITY OF DOVER
PLANNING & INSPECTIONS

February 13, 2013

Ms. Ann Marie Townshend
City of Dover
P.O. Box 475
Dover, DE 19903

Dear Ms. Townshend:

In response to numerous constituents who have been in contact with me about neighborhood concerns, I am sending this letter to seek assistance from the City of Dover in an effort to help alleviate these issues.

Oftentimes, constituents have been experiencing city code violations within their neighborhoods during the evening or weekend hours. From my understanding, City of Dover Code Enforcement officers are not scheduled to work during the evening and weekend hours, therefore the complaints are unable to be investigated and addressed. When the officers are next on duty following the incident, the alleged violator has already taken steps to prevent actions from being taken by the City.

Based upon this information, I would like to respectfully request that the scheduled assignments of the Code Enforcement officers be restructured in such a way that would allow them to be available in the evenings and on the weekends. In my opinion, greater coverage by these officers would go a long way in helping to mitigate the issues before they become neighborhood concerns.

I am hopeful that the City of Dover is receptive to this suggestion, and thank you for taking the time to consider this request.

Sincerely,

Brian J. Bushweller

Brian J. Bushweller

cc: The Hon. Carleton E. Carey, Sr., Mayor
The Hon. Thomas J. Leary, President of the City Council
Mr. Scott Koenig, Town Manager

103 Burning Tree Road, Dover, Delaware 19904
Home: 302-674-5442 Senate Office: 302-744-4162 Fax: 302-739-6890